1946.

File No. 0 Indian Insurances — 46

A **BRANCH**

Subject:—

Indian Insurances Act

1938

Opinions under the

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0. Indian Insurances

File N

46

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C O N T E N T S

Legal Department File No.O.Indian Insurance/46.

Sr.No.	R.I./O.No.	Subject.	Pages.
	O.Indian Insurance/46.	Opinions under the Indian Insurance Act,1938.	
1.	O.N.923/2-2-1946.	Whether the contention of the Oriental Goverment Security Life Assurance Co., stock certificates should continue to be held in the official Trustee's Name and Government Promissory notes coming into hands of Directors be immediately converted into stock and retained in his own name.	1

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Office of the R.L.A.

In para. 13 of his letter at page 85 ante the Manager of the Oriental Government Security Life Assurance Company observes:

"According to section 31 of the Indian Insurance Act, 1938, these assets (i.e. trust securities) can be kept only in the corporate name of the Company or in the name of a public officer approved by the Central Government and since the Reserve Bank of India would not fall under the latter category, it would be a breach of section 31 of an offence against the provisions of section 102 to transfer the securities to the name of the Reserve Bank of India. The Director therefore desire that the stock certificates should continue to be held in the Official Trustee's name and that Government Promissory Notes coming into his hands be immediately converted into stock and retained in his own name". The R.L.A is requested to advise whether the contention of the Oriental Government security Life Assurance Company is valid.

It appears that the fears of the Oriental Government Security Life Assurance Company that the proposal of Government ~~[illegible]~~ invilves the breach of section 31 of the Indian Insurance Act, 1938, are goundless, for what is proposes is the deposit by the Official Trustee of stock certificates with the Reserve Bank for safe custody and such ~~deposit~~ involves no transfer of the stock certificates which would still continue to be held in the name of the Official Trustee (See para. 1(i) of the letter of the Manager of the Reserve Bank of India at p.11 ante) The deposit of stock certificates with the Reserve Bank of India for safe custody would not be in breach of section 31 of the Indian Insurance Act.

Sd/P.N.M. 1/2/46

Remembrancer of Legal Affairs.

U.R. to Home Department No.923, dated the 2nd February 1946.

EKN.10/7/